If, and only if, the computer of Dougherty knew the position of the encoded hot spot of the page, would it know the position of the sensing device relative to the page. However, there is no requirement in Dougherty for the computer system or sensor, to know this, and no disclosure in Dougherty that this feature is in fact provided. Dougherty simply reads the hot spot. There is no disclosure that Dougherty knows where the hotspot is on the magazine page. In the example, all that is required is that it is in the region of the associated product picture. Indeed, with reference to column 12 lines 14 to 22, the "hotspots" may be inserted into detachable bodies which may be attached to physical media. In other words, the hotspots can be moved and cannot therefore provide any positional information. Again, all the system is aware of is the hotspot and the information it contains. It cannot know anything of the relative location of the hotspot, since the hotspot is movable.

With regard to the passage from column 5 lines 22-54 identified by the Examiner, the passage simply discloses the reading of encoded hotspots. The identity of the encoded physical medium is indicated, but there is no disclosure that the <u>position</u> of the hotspot on the medium is known. The computer system knows what the medium is because this information is encoded in the hotspot. It doesn't however, know <u>where</u> the hotspot is on the medium. Column 6 lines 11-29 also does not suggest that the computer system know that information.

With regard to column 7 lines 21-32, there is no disclosure that the sensor can detect the nearness of itself to the hotspot. Lines 21 to 24 simply state that depending on the particular sensor used, the sensor may be required to be in contact with the hotspot, or simply near the hotspot. Certain types of sensor require contract. Others do not. There will either be a signal sent if the hotspot is read, or no signal if it is not. If there is a signal, it will be the same - the information contained in the hotspot - regardless of whether the sensor is in contact with the hotspot or simply near it. No relative positional information is proved in the signal. There is no disclosure in Dougherty that the signal sent differs depending on the position of the sensor, apart from there being no signal if it is not in position to read a hotspot.

Thus, in contrast with the present invention, it is respectfully submitted that Dougherty does not disclose a system in which a sensing device knows its position relative to a medium such as a form.

Applicant has fully responded to each matter of substance raised in the Office Action and believes that the case is in condition for allowance. Withdrawal of the rejections and allowance of the application is therefore courteously solicited. Should the Examiner have any requests, questions or suggestions, the Examiner is invited to contact the Applicant at the number listed below.

Very respectfully,

Applicants:

KIA SILVERBROOK

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JACQUELINE ANNE LAPSTUN

PAUL LAPSTUN

C/o:

Silverbrook Research Pty Ltd

393 Darling Street

Balmain NSW 2041, Australia

Email:

kia.silverbrook@silverbrookresearch.com

Telephone:

+612 9818 6633

Facsimile:

+61 2 9555 7762